

23 December 1954

MEMORANDUM FOR THE RECORD

SUBJECT: Captain Ralph Metcalf, USN, representing the Deputy
Director for Intelligence, The Joint Staff

In the opening minutes of the first agency meeting on NIE 100-5 (China Trade Controls), Captain Metcalf began with some very harsh comments on the subject draft. He said it was slanted and that its conclusions rested upon practically no intelligence. As the discussion developed, he went on flat-footedly to allege that the paper had been purposely slanted in behalf of the UK and that he thought the reason why mention of the UK had been minimized in the paper was that the Board had already decided to recommend release of the paper and knew that release would be impossible if the paper were full of derogatory references to the British. I remonstrated at the time and the meeting proceeded.

At about this point he tabled a redraft of the entire paper (copies of which will be available in the development file) which he said represented an objective presentation based upon evidence. As time went on it became apparent that his principal source of information, which he continuously referred to as authentic evidence, were the interrogation reports of a Hungarian refugee woman who had at one time worked in the Hungarian trade control department. Our colleagues from OIR, notably Fried, were very familiar with this material as were others around the table. No one present seemed to hold this witness in Captain Metcalf's high degree of esteem. He also noted that he had "checked his draft out" with officers of the ISA office/SecDef. I asked him what kind of an intelligence organization was this. He did not rise to the bait but went on to say that he had also checked it out with the people in OSO/SecDef. I asked him what these initials stood for and when he told me "Office of Special Operations" I inquired was this also another intelligence organization. He took these two cracks of mine, which I fancied to be possessed of long barbs, with such equanimity that I honestly believe he may not be aware of the impropriety of checking an intelligence paper out with a principal policy user.

In his comment on the subject draft, Captain Metcalf also noted that many items in the terms of reference had not been treated in the draft and went on to indicate that he believed that a coordinated terms of reference was in fact the outline of the intended

paper. Abbot Smith rose to this one and pointed out that terms of reference could in no sense be construed as the outline of the paper; that this matter had been discussed in dozens of agency meetings, and that he, Smith, had actually explained it to Admiral Layton at a Princeton meeting -- how estimates were made and why terms of reference could not be considered an outline of the finished estimate.

At the time of the break-up of the afternoon session on the paper, I addressed the room, recalling that Captain Metcalf had earlier in the day alleged a purposeful slanting of the paper and an omission of derogatory reference to the UK so that the paper could be released to the British. I asked Captain Metcalf if he would like to withdraw these remarks. He said he would withdraw them but was still puzzled as to why a paper on this subject would be written as this one was. I called his attention to his own substitute draft paper and asked him whether he thought his own were entirely objective.

He asked to see me after the meeting and came in to my office to pursue an old point and take up a new one. The old point bore on the terms of reference serving as an outline to the paper. Again I explained to him that a terms of reference frequently asked questions to which an affirmative answer would be of great importance; to which a negative answer would be of no importance. I told him that when such questions were answered negatively, they were not as a general rule mentioned in the Board draft text. Indeed, I could only think of one case (Italian scientific and technical capabilities) where negative findings had seemed important enough to warrant a statement in the estimate.

The new business had to do with enlarging terms of reference to answer specific questions asked by future consumers. He noted that in the last Indo-China paper, Mr. Amory had presumably expressed the Planning Board's desire for an estimate of what would happen if the Indo-China elections were postponed as a result of Western action. He pointed out that some of his consumers in the Office of the Secretary of Defense, notably in the ISA area, had also asked questions while the estimate was in process and wanted to have them answered by the IAC community.

It seemed to me that he and Layton are probably piqued by what they fancy to be discriminatory action against the interests of their principal consumers. Looking back at some of the sentences and paragraphs

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which Metcalf had wanted included in estimates and which found no takers around the table, it seems to me that the principal reason for Board resistance was that his suggestions partook too strongly of the nature of policy recommendations or were of a degree of detailedness considered improper for an NIE.

Whatever the reason, I think there is trouble brewing on this front which we should be on guard for.



SHERMAN KENT